

## **Minutes of the 47<sup>th</sup> meeting of the SEZ Board of Approval held on 22<sup>nd</sup> July 2011 to consider proposals for setting up of Special Economic Zones**

The forty seventh (47<sup>th</sup>) meeting of the SEZ Board of Approval (BoA) was held on 22.07.2011 under the Chairmanship of Dr. Rahul Khullar, Secretary, Department of Commerce, at 10.30 A.M. in Room No. 47, Udyog Bhawan, New Delhi, to consider proposals for setting up of Special Economic Zones (SEZ) and other miscellaneous requests in respect of notified/approved SEZs. A list of participants is enclosed (**Annexure -1**).

2. Addressing the Board of Approval members, the Chairman informed that so far 585 formal approvals have been granted for setting up of SEZs out of which 381 have been notified. He further informed that as on 30.06.2011, over Rs. 2,12,914.36 Crore has been invested in the SEZs and direct employment of the order of 7,14,412 persons has been generated in the SEZs. During the financial year 2010-11, total exports to the tune of Rs. 3,15,867.85 Crore has been made from the SEZs, registering a growth of about 43.11% over the exports for the year 2009-10. Exports during the first quarter of the current financial year i.e. up to 30.06.2011 have been to the tune of Rs. 72,255.50 Crore.

### **Item No. 47.1: Proposals for setting up of SEZs.**

(i) **Proposal of M/s. Radiant Corporation Private Limited, for setting up of a sector specific Special Economic Zone for Electronics Hardware and Software and related activities at Plot No. 20, APIIC Industrial Park, Muppireddypalli village, Toopran (Mandal) Medak District, Andhra Pradesh, over an area of 10.23 hectares.**

The Board noted that the Developer was in possession of the land. The Government of Andhra Pradesh has also recommended the proposal for formal approval vide their letter dated 18.03.2011. Accordingly, the Board decided to grant **formal approval** to the proposal of M/s. Radiant Corporation Private Limited, for setting up of a sector specific Special Economic Zone for Electronics Hardware and Software and related activities at Plot No. 20, APIIC Industrial Park, Muppireddypalli village, Toopran (Mandal) Medak District, Andhra Pradesh, over an area of 10.23 hectares

(ii) **Proposal of M/s. Anique Infrastructure Private Limited, for setting up of Multi Product SEZ at village Pakhajan, Limdi, Kesvan, Padalpor and Trankal, Taluka Vagra, District Bharuch, Gujarat, over an area of 1380 hectares.**

The Board noted that the Government of Gujarat had recommended the proposal vide letter dated 19.05.2011. Since, the entire land was not in possession of the Developer, the Board decided to grant **in-principle approval** to the proposal of M/s. Anique Infrastructure Private Limited, for setting up of a Multi Product SEZ at village Pakhajan, Limdi, Kesvan, Padalpor and Trankal, Taluka Vagra, District Bharuch, Gujarat, over an area of 1380 hectares.

### **Item No.47.2: Request for co-developer**

It is reiterated that the tax treatment/tax implications of particular terms and conditions of lease agreement/co-developer agreement in matters like treatment of the income by way of lease rentals/down payment/premium etc., for the purposes of assessment under the prevalent Income Tax Act and Rules lies within the purview of the Assessing Officer empowered to examine the taxability of these amounts under the Income Tax Act. All BoA approvals for a co-developer are without prejudice to this fundamental principle and, as always, is applicable to all the cases of co-developers approved by the BoA in this meeting.

As directed by the BoA in its 46<sup>th</sup> meeting held on 31.05.2011, a committee was constituted to look into the concerns expressed with regard to the grant of co-developer status in cases where the entity which has made such application was also a unit in the same SEZ. After detailed discussions the committee arrived at the following arrangement which could ensure that the affairs of the unit and co-developer are adequately ring fenced so as to avoid double dipping which could lead to a potential loss of revenue.

- (i) As a general policy the Developer /Co Developer and the Unit should be separate legal entities.
- (ii) If for certain specific reasons, the above arrangement is not feasible the affairs of the Developer/ Co-developer and Unit shall be ring fenced in the following manner :
  - The specific reason(s) as to why Developer /Co Developer and the Unit are not separate legal entities is to be examined by the DC before putting up for BoA approval.
  - The two entities Developer / Co-developer and the Unit shall maintain separate accounts of all imports and domestic procurements of goods and services.
  - No transfer of lease rental charges, service charges and other expenses of such nature shall be allowed from an account of the Developer / Co-developer to that of the Unit or vice-versa.

The BoA approved and adopted the proposal, as described above.

Keeping in view and incorporating the aforesaid guiding principles, the following decision has been taken by the BoA in the matters placed before it:-

**(i) Request of M/s. Marg Digital Infrastructure Private Limited for co-developer in the sector specific SEZ for Multi Services at Cheyyur Taluk, Kancheepuram District, Tamil Nadu, being developed by M/s. New Chennai Township Private Limited**

After deliberations, the Board **approved** the request of M/s. Marg Digital Infrastructure Private Limited for becoming a co-developer in the above mentioned SEZ to develop, operate and maintain 3.114 hectares in the processing area of the SEZ (to convert the bare shell building into warm shell building).

**(ii) Request of M/s. Hyderabad Infratech Private Limited for Co-Developer in the sector specific SEZ for IT/ITES at Gachibowli village, Serilingampally Mandal, R.R. District, Andhra Pradesh, being developed by M/s. Phoenix Infocity Private Limited**

The representative of D/o Revenue pointed out that the tenure of lease agreement between the Developer and Co-developer is 99 years. Further there was a provision of onetime payment of Rs.174 Crore to the Developer by the Co-Developer. DoR also contended that the co-developer is entitled to create a lien, charge or mortgage in favour of a bank. DoR contended that all these amount to sale/transfer of land which is not allowed in the SEZ Rules. The DC mentioned the applicant's willingness, conveyed in writing, to reduce the tenure of the lease to thirty three years. After deliberations, Board directed DC, VSEZ to advise the Co-Developer to address the issues raised and submit a revised lease deed. Accordingly, the proposal was **deferred**.

**(iii) Request of M/s. Mytec Software (Pvt.) Limited (MSPL) for co-developer in the sector specific SEZ for IT/ITES at Madhurwada, Andhra Pradesh, being developed by Andhra Pradesh Industrial Infrastructure Corporation (APIIC).**

The Board noted that MSPL was granted LoA on 7.1.2009 to set up a unit. At present MSPL proposes to construct one 130000 sqft, out of which 50000 sqft will be occupied by MSPL and surplus 80000 sqft was proposed to be leased out. The Board observed that as the approval had already been granted to the Unit and construction appears to have been carried out as a Unit accepting the request may amount to conferring co-developer status with retrospective effect which may not be permissible. Accordingly the proposal was **rejected**.

**(iv) Request of M/s. Stylus Commercial Services Private Limited (SCSPL) for co-developer in the sector specific SEZ for Electronic Hardware and Software including IT/ITES at Rachenhalli and Nagavara villages, Hobli, Outer Ring Road, District Bangalore, Karnataka, being developed by M/s. Manyata Promoters Private Limited**

DoR objected to the nature of the lease agreement between the two parties. The Board, after deliberations, **deferred** the proposal and sought a report from DC, CSEZ on the nature of development being undertaken by the co-developer and whether they were consistent with the SEZ Act and Rules.

**(v) Request of M/s. ACN Infotech (India) Pvt. Ltd. for co-developer in the sector specific SEZ for IT/ITES at Madhurwada, Andhra Pradesh, being developed by Andhra Pradesh Industrial Infrastructure Corporation (APIIC)**

The D/o Revenue observed that M/s. ACN has built up 30000 sqft area as a unit and have applied for co-developer status so that they can lease out 20000 sqft. to other SEZ unit after occupying 10000 sqft for its own SEZ unit. Accepting the request may amount to conferring co-developer status with retrospective effect which may not be permissible. Accordingly the proposal was **rejected**.

**(vi) Request of M/s. Artha Builders LLP for co-developer in the sector specific SEZ for Electronic Hardware and Software including IT/ITES at Greater Noida, Uttar Pradesh, being developed by M/s. Artha Infratech Private Limited**

The representative of CBDT pointed out that the financial details of the agreement between the developer and the proposed co-developer have not been intimated to the Board. The Board, therefore, after deliberations **deferred** the proposal till the receipt of such details through DC, NSEZ.

**Item No. 47.3: Requests for Authorized Operations**

BoA considered the proposals for authorized operations and it is clarified that all approvals for authorized operations are subject to the development guidelines approved by EGoM in its meeting dated 24<sup>th</sup> October 2008, which was noted by the members of the BoA, and State Government Representatives in its meeting held on 8<sup>th</sup> December 2008. Accordingly, the DCs will ensure that all the authorized operations approved by the BoA in this meeting, are in line with the guidelines.

**(i) Request of M/s. IFFCO Kisan SEZ Limited (IKSEZ) for authorized operations in multi product SEZ at Nellore, Andhra Pradesh**

The proposal was discussed in detail. DC, VSEZ was requested to furnish details regarding the business model proposed. The matter was **deferred**.

**(ii) Request of M/s. Anrak Aluminnium Limited for authorized operations in the sector specific SEZ for Aluminium at Visakhapatnam District, Andhra Pradesh**

The BoA perused the proposal and after deliberations, the Board decided to **approve** the authorized operations, in the non-processing area of the SEZ, as given in the table: -

S. No.	Name of Authorized Activity	No. of Units	Area per Unit (in sqm.) as per FSI norms as applicable	Total unit area	Total area (in sqm.)
(i)	(2)	(3)	(4)	(5)	(6)
1.	Field Hostel Cum Residence Office	55 – Rooms	26.445	1454.5	2509
		Corridor, Staircase and other	-	1054.5	

**(iii) Request of M/s. Indian Strategic Petroleum Reserves Ltd. (ISPRL), a co-developer in the sector specific SEZ for Petrochemicals and Petroleum sector at Baikampady, near Mangalore, Dakshina Kannada District, Karnataka, being developed by M/s. Mangalore SEZ Limited, for authorized operations**

The Board after deliberations, **deferred** the proposal and sought a report from DC, CSEZ clarifying as to whether the underground crude oil storage facility proposed to be set up by the co-developer has a direct nexus with its SEZ activities.

**(iv) Request of M/s. Artha Infratech Private Limited for authorized operations in the sector specific SEZ for Electronic Hardware and Software including IT/ITES at Greater Noida, Uttar Pradesh**

The Board noted that the developer has not given the details of the type of Houses it propose to construct. Also it was queried if there was adequate justification for creation of the proposed infrastructure in the non-processing area, as proposed by the Developer. The Board, therefore, after deliberations, **deferred** the proposal and directed DC, NSEZ to submit a report, addressing the above issues for consideration of the Board.

**(v) Request of M/s. G.P. Realtors Private Limited for authorized operations in sector specific SEZ for IT/ITES at village Behrampur, District Gurgaon, Haryana**

The Board noted that the developer has not given the details of the type of Houses it propose to construct. It was also observed that there was inadequate justification provided for creation of the proposed infrastructure in the non-processing area, as proposed by the Developer. The Board, therefore, after deliberations, **deferred** the proposal and directed DC, NSEZ to submit a report, addressing the above issues for consideration of the Board.

**(vi) Request of M/s. Hiranandani Builders for authorized operations in the sector specific SEZ for IT/ITES at Powai, Mumbai, Maharashtra**

The Board noted that the land on which the Helipad is proposed to be constructed is not a part of the SEZ. Further, the objectives of having a Helipad available to the SEZ can be achieved even if the Helipad is located just adjacent to the SEZ. Therefore, after deliberations, the Board **rejected** the request of the developer.

**(vii) Request of M/s. Canton Buildwell Private Limited for authorized operations in the sector specific SEZ for IT/ITES at Gurgaon, Haryana**

The Board noted that the developer has already been granted approval for certain authorized operations including Housing/Service Apartments. It was reported by DC, NSEZ that the developer has requested additional FAR to the extent of 105467 sqm. It was recommended by the DC that the developer must first, exhaust the FAR already approved, before applying for additional FAR. The Board accepted the DC's recommendations and **did not approve** the request of the Developer.

**(viii) Request of M/s. Greentech Industries (India) Private Limited, a co-developer in Multi Product SEZ at Naidupeta Mandal, Nellore District, Andhra Pradesh, being developed by Andhra Pradesh Industrial Infrastructure Corporation Limited, for authorized operations**

The BoA perused the proposal and after deliberations, the Board decided to **approve** the authorized operations, in the **non-processing area** of the SEZ, as given in the table: -

S. No.	Name of the authorized activity	No. of units	Area per unit as per FSI/FAR norms as applicable (in sqm)	Total area (in sqm)
(1)	(2)	(3)	(4)	(5)
1.	Dormitory facility	8 blocks	689	8472
		8 blocks	370	
2.	Grocery Block (For employees daily living needs such as Vegetables, fruits, food grains, etc)	1 block	192	192
<b>Total</b>				<b>8664</b>

**Item No. 47.4: Requests for increase/decrease in area**

**(i) Request of M/s. Combine Realty Private Limited, a co-developer in the sector specific SEZ for IT/ITES at village Ognaj, Taluka Dascroi, District Ahmedabad being developed by M/s. Calica Construction & Impex Private Limited for increase in area of its operations**

The Board noted that as per the co-developer agreement dated 28<sup>th</sup> April, 2010 the land parcel proposed to be added is being leased to the co-developer for a period of 999 years. Since, lease for such a long period amounts to sale of land which is not permitted under SEZ Rules, the BoA deferred the proposal to provide an opportunity to the co-developer to submit a proposal in accordance with the SEZ Rules.

**(ii) Request of M/s. Smart City (Kochi) Infrastructure Private Limited for addition of land in the sector specific SEZ for IT/ITES at Kanayanoor Taluk, Ernakulam District, Kerala**

The Board noted that the land parcel proposed to be added to the existing SEZ is separated from the SEZ by a water body. The Board has to consider a specific plan for establishing contiguity in the proposed enlarged SEZ before granting approval. This plan has to be prepared in compliance with all statutory, environmental and other requirements and approvals from State Government/other entities. The plan needs to be submitted for examination to the jurisdictional Chief Commissioner (Customs and Excise) alongwith the Development Commissioner, Cochin SEZ, and a report would have to be submitted for consideration of the Board. The Board clarified that the report needs to include an assessment of likely expenses to be incurred for establishing contiguity. The Board further clarified that no duty benefits would be permissible for the expenses incurred for establishing contiguity. The Board deferred the proposal to the next meeting and advised the applicant to quickly put a plan together so that the case could be taken up for consideration.

**(iii) Request of Andhra Pradesh Industrial Infrastructure Corporation Limited (APIIC) for addition of land in the sector specific SEZ for Aerospace and Precision Engineering Industries at Adibatla village, Ibrahimpatnam Mandal, Ranga Reddy District, Andhra Pradesh**

After deliberation, the Board decided to **approve** the request of Andhra Pradesh Industrial Infrastructure Corporation Limited for addition of land admeasuring 35.59 hectares in the SEZ thereby making the total area of the SEZ as 136.76 hectares. The approval is subject to the contiguity of the SEZ being maintained.

**(iv) Request of M/s. Vikas Telecom Limited for decrease in area of the notified sector specific SEZ for IT/ITES at Bangalore, Karnataka**

After deliberation, the Board decided to **approve** the request of M/s. Vikas Telecom Limited for de-notification of 7.63 Ha from the SEZ thereby making the total area of the SEZ as 24.54 Ha. The approval is also subject to the contiguity of the SEZ being maintained and the DC's certificate that the developer has refunded all the tax/duty benefits availed under SEZ Act in respect of the area to be de-notified.

**Item No. 47.5: Requests for withdrawal of in-principle approval**

**(i) Withdrawal of In-principle approval granted to M/s. Parsvnath SEZ Limited for setting up of sector specific SEZ for Leather & Leather Products at Agra, Uttar Pradesh**

The Board noted that the in-principle approval granted to the developer has already expired on 26<sup>th</sup> December, 2008. The Board, therefore, after deliberations decided to approve the request of M/s. Parsvnath SEZ Limited for withdrawal of in-principle approval granted to them for setting up of sector specific SEZ for Leather & Leather Products at Agra, Uttar Pradesh, over an area of 100 hectares

**(ii) Withdrawal of In-principle approval granted to M/s. Parsvnath SEZ Limited for setting up of sector specific SEZ for Gems & Jewellery at Jaipur-Ajmer Road, Jaipur, Rajasthan**

The Board noted that the in-principle approval granted to the developer has already expired on 22<sup>nd</sup> February 2009. The Board, therefore, after deliberations decided to approve the request of M/s. Parsvnath SEZ Limited for withdrawal of in-principle approval granted to them for setting up of sector specific SEZ for Gems & Jewellery at Jaipur-Ajmer Road, Jaipur, Rajasthan, over an area of 45.6 hectares.

**(iii) Withdrawal of In-principle approval granted to M/s. Parsvnath SEZ Limited for setting up of sector specific SEZ for Food Processing at villages Kundli, Sonapat Haryana**

The Board noted that the in-principle approval granted to the developer has already expired on 27<sup>th</sup> December, 2008. The Board, therefore, after deliberations decided to approve the request of M/s. Parsvnath SEZ Limited for withdrawal of in-principle approval granted to them for setting up of sector specific SEZ for Food Processing at villages Kundli, Sonapat, Haryana, over an area of 100 hectares.

**(iv) Withdrawal of In-principle approval granted to M/s. Parsvnath SEZ Limited for setting up of sector specific SEZ for Handicrafts at Moradabad-Rampur NH-24, village Chamarua, Mauja Dalpatpur, District Moradabad, Uttar Pradesh**

The Board noted that the in-principle approval granted to the developer has already expired on 28<sup>th</sup> December, 2008. The Board, therefore, after deliberations decided to approve the request of M/s. Parsvnath SEZ Limited for withdrawal of in-principle approval granted to them for setting up of sector specific SEZ for Handicrafts at Moradabad-Rampur NH-24, village Chamarua, Mauja Dalpatpur, District Moradabad, Uttar Pradesh, over an area of 100 hectares.

**(v) Withdrawal of In-principle approval granted to M/s. Parsvnath SEZ Limited for setting up of sector specific SEZ for Automotive & Auto Component at Mauja Tajey, Taluka Bhavel, District Pune, Maharashtra**

The Board noted that the in-principle approval granted to the developer has already expired on 26<sup>th</sup> December, 2008. The Board, therefore, after deliberations decided to approve the request of M/s. Parsvnath SEZ Limited for withdrawal of in-principle approval granted to them for setting up of sector specific SEZ for Automotive & Auto Component at Mauja Tajey, Taluka Bhavel, District Pune, Maharashtra, over an area of 100 hectares.

**(vi) Withdrawal of In-principle approval granted to M/s. Parsvnath SEZ Limited for setting up of Multi Product SEZ at village Chengulpat, District Kancheepuram, Tamil Nadu**

The Board noted that the in-principle approval granted to the developer has already expired on 26<sup>th</sup> June, 2009. The Board, therefore, after deliberations decided to approve the request of M/s. Parsvnath SEZ Limited for withdrawal of in-principle approval granted to them for setting up of Multi Product at village Chengulpat, District Kancheepuram, Tamil Nadu, over an area of 1000 hectares.

**Item No. 47.6: Requests for withdrawal of formal approval**

**(i) Withdrawal of formal approval granted to M/s. Juventus Builders and Developers Limited for setting up of sector specific SEZ for IT/ITES at villages Savroli and Dhamni, Taluka Khalapur, District Raigad, Maharashtra**

The Board decided to approve the request of M/s. Juventus Builders and Developers Limited for withdrawal of formal approval granted to them for setting up of sector specific SEZ for IT/ITES at villages Savroli and Dhamni, Taluka Khalapur, District Raigad, Maharashtra, over an area of 10.12 hectares, subject to DC's certificate that the developer has not availed of any tax/duty benefits under the SEZ Act/Rules

**(ii) Withdrawal of formal approval granted to M/s. Sundari Theme Ventures Private Limited for setting up of sector specific SEZ for Biotech at Kolthur village, Shamirpet Mandal, R.R. District, Andhra Pradesh**

The Board decided to approve the request of M/s. Sundari Theme Ventures Private Limited for withdrawal of formal approval granted to them for setting up of sector specific SEZ for Biotech at Kolthur village, Shamirpet Mandal, R.R. District, Andhra Pradesh, over an area of 10.12 hectares, subject to DC's certificate that the developer has not availed of any tax/duty benefits under the SEZ Act/Rules

**(iii) Withdrawal of formal approval granted to M/s. Alok Infrastructure Private Limited for setting up of sector specific SEZ for Textiles at village Surangi, Near Silvasa, Dadra and Nagar Haveli**

The Board decided to approve the request of M/s. Alok Infrastructure Private Limited for withdrawal of formal approval granted to them for setting up of sector specific SEZ for Textiles at village Surangi, Near Silvasa, Dadra and Nagar Haveli, over an area of 73.48 hectares, subject to DC's certificate that the developer has not availed of any tax/duty benefits under the SEZ Act/Rules

**Item No. 47.7: Requests for de-notification**

**(i) Request of M/s. Oval Developers Private Limited for de-notification of the sector specific SEZ for Electronic Hardware and Software at Mouza-Banagram and Sarmasterchowk, District-24 Parganas (South), West Bengal, notified over an area of 11.78 hectares**

After deliberations, the Board decided to approve the request of M/s. Oval Developers Private Limited for de-notification of the sector specific SEZ for Electronic Hardware and Software at Mouza-Banagram and Sarmasterchowk, District-24 Parganas (South), West Bengal, notified over an area of 11.78 hectares, **subject to DC's certificate that the developer has refunded all the tax/duty benefits availed under SEZ Act/Rules.**

**(ii) Request of M/s Airmid Developers Limited for de-notification in sector specific SEZ for IT/ITES at Sector – 106, village Pawala Khusrupur, Gurgaon, Haryana**

After deliberations, the Board decided to approve the request of M/s Airmid Developers Limited for de-notification in sector specific SEZ for IT/ITES at Sector – 106, village Pawala Khusrupur, Gurgaon, Haryana, **subject to DC's certificate that the developer has refunded all the tax/duty benefits availed under SEZ Act/Rules.**

**(iii) Request of M/s. Yashprabha Enterprises for de-notification of the sector specific SEZ for Biotechnology at village Pothandi, Taluka Chiplun, District Ratnagiri, Maharashtra, notified over an area of 10.36 hectares**

After deliberations, the Board decided to approve the request of M/s. Yashprabha Enterprises for de-notification of the sector specific SEZ for Biotechnology at village Pothandi, Taluka Chiplun, District Ratnagiri, Maharashtra, notified over an area of 10.36 hectares, **subject to DC's certificate that the developer has refunded all the tax/duty benefits availed under SEZ Act/Rules.**

**(iv) Request of Karnataka Biotechnology and Information Technology Services (KBITS) for de-notification of the sector specific SEZ for Biotechnology at Electronic City, Phase III, Bangalore, Karnataka, notified over an area of 37.49 hectares**

After deliberations, the Board decided to approve the request Karnataka Biotechnology and Information Technology Services (KBITS) for de-notification of the sector specific SEZ for Biotechnology at Electronic City, Phase III, Bangalore, Karnataka, notified over an area of 37.49 hectares, **subject to DC's certificate that the developer has refunded all the tax/duty benefits availed under SEZ Act/Rules.**

**(v) Request of M/s. N.G. Realty Private Limited for de-notification of the sector specific SEZ for Engineering at village Rajoda, District Ahmedabad, Gujarat, notified over an area of 217.14.10 hectares**

After deliberations, the Board decided to approve the request of N.G. Realty Private Limited for de-notification of the sector specific SEZ for Engineering at village Rajoda, District Ahmedabad, Gujarat, notified over an area of 217.14.10 hectares, **subject to DC's certificate that the developer has refunded all the tax/duty benefits availed under SEZ Act/Rules.**

**Item No. 47.8: Request for change of sector/broad-banding the sector**

**(i) Request of M/s. Opto Infrastructure Limited for change of sector of the notified sector specific SEZ at Hassan District, Karnataka from 'Electronic Hardware including IT/ITES' to 'Manufacturing of Equipments, Devices, Accessories including Consumables for Medical and other applications'**

The representative of the Government of Karnataka requested BoA for deferment of the proposal. Accordingly, the proposal was deferred.

**(ii) Request of M/s. Goldsouk International Gem & Jewellery SEZ Private Limited for change of sector of the notified sector specific SEZ at village Bhondsi, Tehsil Sohna, District Gurgaon, Haryana from 'Gems & Jewellery' to 'IT/ITES'**

After deliberations, the Board decided to approve the request of M/s. Goldsouk International Gem & Jewellery SEZ Private Limited for changing the sector of the SEZ from 'Gems & Jewellery' to 'IT/ITES'.

**(iii) Request of M/s. GMR Hyderabad Aviation SEZ Limited for change of sector of notified SEZ at Mamidipalli village, Hyderabad, Andhra Pradesh from 'Aviation' to 'SEZ in an existing Airport'**

DC, VSEZ informed the Board that the SEZ falls under the notified area of the Airport as notified by the Government of Andhra Pradesh and that all the conditions necessary for grant of approval for an 'SEZ in an Airport' as defined under Rule 2(z)(c) of SEZ Rules were fulfilled in the said case. Therefore, after deliberations, the Board decided to approve the request M/s. GMR Hyderabad Aviation SEZ Limited for changing the sector of the SEZ from 'Aviation' to 'SEZ in an existing Airport'.

**Item No. 47.9: Requests for first extension of validity of formal approvals**

**After deliberations, the Board decided to grant second extension of validity of formal approval in respect of each of the following 20 (Twenty) developers for a period of one year beyond the expiry of the validity period:**

- (i) Request of M/s. Benchmark Realty Private Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Electronic Hardware and Software including IT/ITES at village-Mouje Punawale, Taluka-Mulshi, Pune, Maharashtra, beyond 20<sup>th</sup> November 2011.
- (ii) Request of M/s. Hari Fertilizers Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Multi Services with FTWZ at Sahupuri, District Chandauli, Uttar Pradesh, beyond 29<sup>th</sup> October 2011.
- (iii) Request of M/s. JB SEZ Private Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Pharmaceuticals at GIDC, Panoli Industrial Estate, Panoli, Gujarat, beyond 16<sup>th</sup> June 2011.
- (iv) Request of M/s. Smart City (Kochi) Infrastructure Private Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at village Kakkanad, Taluka Kanayannur, District Ernakulam, Kerala, beyond 20<sup>th</sup> April, 2011.
- (v) Request of M/s. Raheja SEZ Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Engineering at villages Hamipur, Khetawas, Saidpur & Wazirpur, District Gurgaon, Haryana, beyond 9<sup>th</sup> August, 2010.
- (vi) Request of Andhra Pradesh Industrial Infrastructure Corporation Limited (APIIC) for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Gambheeram village, Anandapuram Mandal, Visakhapatnam, Andhra Pradesh, beyond 24<sup>th</sup> June, 2011.
- (vii) Request of M/s. DLF Ackruti Info Parks (Pune) Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Rajiv Gandhi Infotech Park, Hinjawadi, Ph-II, Pune, Maharashtra, beyond 26<sup>th</sup> June, 2011.
- (viii) Request of M/s. Brigade Enterprises Private Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Ganjimutt, EPIP Industrial Area, Mangalore, Karnataka, beyond 4<sup>th</sup> September, 2011.

- (ix) Request of M/s. Milestone Buildcon Private Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Chokkanahalli village, Bangalore, Karnataka, beyond 29<sup>th</sup> October , 2011.
- (x) Request of M/s. Deccan Infrastructure and Land Holdings Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Kukatpally village, Balanagar Mandal, RR District, Andhra Pradesh, beyond 2<sup>nd</sup> July, 2011.
- (xi) Request of M/s. Deccan Infrastructure and Land Holdings Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ at Mudhvin village, Amangal Mandal, Mahaboob Nagar District, Andhra Pradesh, beyond 24<sup>th</sup> June, 2011.
- (xii) Request of M/s. Deccan Infrastructure and Land Holdings Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Electronic Hardware and Software including IT/ITES at Khodea Village, Hayat Nagar Mandal, RR District, Andhra Pradesh, beyond 2<sup>nd</sup> July, 2011.
- (xiii) Request of M/s. Deccan Infrastructure and Land Holdings Limited for extension of the validity period of formal approval, granted for setting up of a FTWZ at Mamidipally Village, Saroor Nagar Mandal, RR District, Andhra Pradesh, beyond 24<sup>th</sup> June, 2011.
- (xiv) Request of M/s. Deccan Infrastructure and Land Holdings Limited for extension of the validity period of formal approval, granted for setting up of a sector specific SEZ for Textile and Apparel Garments and Fashion Accessories at Akutotapally Village, Amangal Mandal, Mahaboob Nagar District, Andhra Pradesh, beyond 24<sup>th</sup> June, 2011.
- (xv) Request of M/s. Deccan Infrastructure and Land Holdings Limited for extension of the validity period of formal approval, granted for setting up of a sector specific SEZ for Gem & Jewellery at Amangal Village, Amangal Mandal, Mahaboob Nagar District, Andhra Pradesh, beyond 24<sup>th</sup> June, 2011.
- (xvi) Request of M/s. Deccan Infrastructure and Land Holdings Limited for extension of the validity period of formal approval, granted for setting up of a FTWZ at Amangal Village, Amangal Mandal, Mahaboob Nagar District, Andhra Pradesh, beyond 24<sup>th</sup> June, 2011.
- (xvii) Request of M/s. Deccan Infrastructure and Land Holdings Limited for extension of the validity period of formal approval, granted for setting up of a sector specific SEZ for IT/ITES at Kothwalguda Village, Shamshabad Mandal, RR District, Andhra Pradesh, beyond 2<sup>nd</sup> July, 2011.
- (xviii) Request of M/s. Deccan Infrastructure and Land Holdings Limited for extension of the validity period of formal approval, granted for setting up of a sector specific SEZ for IT/ITES at Bachupally Village, Qutubullapur Mandal, RR District, Andhra Pradesh, beyond 2<sup>nd</sup> July, 2011.
- (xix) Request of M/s. Navi Mumbai SEZ Private Limited for extension of the validity period of formal approval, granted for setting up of a sector specific SEZ for Multi-Services at village Ulwe, Navi Mumbai, Mahartashtra, beyond 26<sup>th</sup> February, 2011.

(xx) Request of M/s. Navi Mumbai SEZ Private Limited for extension of the validity period of formal approval, granted for setting up of a sector specific SEZ for Gems and Jewellery at village Ulwe, Navi Mumbai, Mahartashtra, beyond 26<sup>th</sup> February, 2011.

**Item No. 47.10: Delayed request for first extension of formal approval**

**(i) Request of Andhra Pradesh Industrial Infrastructure Corporation Limited (APIIC) for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Electronic Hardware at Maheswaram village, Maheswaram Mandal, Ranga Reddy District, Andhra Pradesh, beyond 20<sup>th</sup> August, 2009.**

The Board after deliberations condoned the delay and extended the validity of the formal approval up to 20<sup>th</sup> August, 2012.

**(ii) Request of MPAKVN (Indore) Limited for extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Indore, Madhya Pradesh, beyond 21<sup>st</sup> June, 2009.** *(This request was not in the original agenda but was considered by the BoA during the meeting, on request of DC, NSEZ)*

The Board after deliberations condoned the delay and extended the validity of the formal approval up to 21<sup>st</sup> June, 2012.

**Item No. 47.11: Requests for second extension of validity of formal approvals**

**After deliberations, the Board decided to grant second extension of validity of formal approval in respect of each of the following 14 (Fourteen) developers for a period of one year beyond the expiry of the validity period:**

(i) Request of M/s. G.P. Realtors Private Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at villages of Ghata & Behrampur, District Gurgaon, Haryana, beyond 25<sup>th</sup> July 2011 (*i.e. up to 25<sup>th</sup> July 2012*).

(ii) Request of M/s. MAS Fabric Park (India) Private Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Textile and Apparel at Chintavaram village, Chillakru Mandal, Nellore District, Andhra Pradesh, beyond 25<sup>th</sup> July 2011 (*i.e. up to 25<sup>th</sup> July 2012*).

(iii) Request of M/s. SNP Infrastructure Private Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Zamin Pallvaram village, Chinglepet Taluk, Kanchipuram District, Tamil Nadu, beyond 24<sup>th</sup> June, 2011 (*i.e. up to 24<sup>th</sup> June, 2012*).

(iv) Request of M/s. Gopalan Enterprises (India) Private Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Mahadevapura & Kaggadaspura, K.R. Puram, Whitefield, Bangalore, Karnataka, beyond 2<sup>nd</sup> July, 2011 (*i.e. up to 2<sup>nd</sup> July, 2012*).

(v) Request of M/s. Bhartiya International SEZ Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Leather

and Leather products at Tada Mandal, Nellore District, Andhra Pradesh, beyond 29<sup>th</sup> July, 2011 (*i.e. up to 29<sup>th</sup> July, 2012*).

(vi) Request of M/s. Mohan Investments and Properties Private Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Shijra Kilabandi, village and Tehsil Badshahpur, District Gurgaon, Haryana, beyond 25<sup>th</sup> July, 2011 (*i.e. up to 25<sup>th</sup> July, 2012*).

(vii) Request of M/s. V.R. Enterprises for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Ananthasagar village, Hasanparthy Mandal, Warangal District, Andhra Pradesh, beyond 29<sup>th</sup> July, 2011 (*i.e. up to 29<sup>th</sup> July, 2012*).

(viii) Request of M/s. Naya Raipur Development Authority for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Electronic Hardware and Software including IT/ITES at Naya Raipur, Chhatisgarh, beyond 29<sup>th</sup> July, 2011(*i.e. up to 29<sup>th</sup> July, 2012*).

(ix) Request of M/s. Foxconn India Developer Private Limited for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/EH at Sriperumbudur, Tamil Nadu, beyond 25<sup>th</sup> July, 2011 (*i.e. up to 25<sup>th</sup> July, 2012*).

(x) Request of Electronic Corporation of Tamil Nadu (ELCOT) for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Gangaikondan, Tirunelveli, Tamil Nadu 25<sup>th</sup> July 2011(*i.e. up to 25<sup>th</sup> July, 2012*).

(xi) Request of Electronic Corporation of Tamil Nadu (ELCOT) for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Navalpattu village, Tiruchirapalli Taluk, Tiruchirapalli District, Tamil Nadu beyond 25<sup>th</sup> July 2011(*i.e. up to 25<sup>th</sup> July, 2012*).

(xii) Request of Electronic Corporation of Tamil Nadu (ELCOT) for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Jagir Ammapalayam village, Salem Taluk, Salem District, Tamil Nadu beyond 25<sup>th</sup> July 2011(*i.e. up to 25<sup>th</sup> July, 2012*).

(xiii) Request of Electronic Corporation of Tamil Nadu (ELCOT) for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Ilandhaikulam village, Madurai I, Madurai North Taluk, Madurai District, Tamil Nadu beyond 25<sup>th</sup> July 2011(*i.e. up to 25<sup>th</sup> July, 2012*).

(xiv) Request of Electronic Corporation of Tamil Nadu (ELCOT) for second extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at Vadapalanji village, Madurai South Taluk and Kinnimangalam village, Tirumangalam Taluk, Madurai II, Madurai District, Tamil Nadu beyond 25<sup>th</sup> July 2011 (*i.e. up to 25<sup>th</sup> July, 2012*).

The Board also observed that in future each such case must come to the BoA giving specific reasons for seeking extension.

**Item No.47.12: Requests for third extension of validity of formal approvals**

**After deliberations, the Board decided to grant third extension of validity of formal approval in respect of each of the following 02 (Two) developers for a period of one year beyond the expiry of the validity period:**

- (i) Request of M/s. Selecto Systems Private Limited for third extension of the validity period of formal approval, granted for setting up of sector specific SEZ for IT/ITES at 15/1, Mathura Road, Faridabad, Haryana beyond 15<sup>th</sup> June 2011 (*i.e. up to 15<sup>th</sup> June, 2012*).
- (ii) Request of M/s. Whitefield Paper Mills Limited for third extension of the validity period of formal approval, granted for setting up of sector specific SEZ for Writing and Printing Paper Mill at Tadipudi village, near Kovvur, Tallapudi Mandal, West Godavari District, Andhra Pradesh, beyond 20<sup>th</sup> August 2011 (*i.e. up to 20<sup>th</sup> August 2012*).

**Item No. 47.13: Request for grant of first extension of in-principle approval.**

BOA granted first extension of the validity of the in-principle granted to the proposal of M/s. Plastene Infrastructure Limited for setting up of sector specific SEZ for Plastic & Plastics Products at Bhandhai, Meghapar Kunjisar, Taluka Bhachau, Kutch District, Gujarat, up to 31.10.2011.

The Board also directed DoC to finalise the policy for plastics reprocessing units at an early date and granted extension to the validity of LoA of all plastic reprocessing units extended earlier upto 15<sup>th</sup> July 2011, up to 31<sup>st</sup> Oct. 2011.

**Item No. 47.14: Request for grant of second extension of in-principle approval.**

BOA granted second extension of the validity of the in-principle granted to the proposal of M/s. Chhattisgarh State Industrial Development Corporation Limited for setting up of sector specific SEZ for Gems & Jewellery at Raipur, Chhattisgarh, for a period of one year from the date of the expiry of the last extension (*i.e. up to 20<sup>th</sup> June, 2012*).

**Item No. 47.15: Request for grant of third extension of in-principle approval.**

The Board was not satisfied with the progress made by the developer in acquiring the land for the SEZ. Therefore, the Board, after deliberations, **rejected** the request of the M/s. South Coast Infrastructure Development Company of Andhra Pradesh Limited (SCIDCAP) for extension of the validity of the in-principle for setting up of sector specific SEZ for Building Materials at NH-5 between Prakasam and Nellore Districts, Andhra Pradesh, over an area of 118 Hectares. The BoA observed that the developer was at liberty to apply afresh after it fulfilled the prescribed conditions.

**Item No. 47.16: Requests for extension of LoP of units beyond 3<sup>rd</sup> year**

- (i) **Request of M/s. Keval Exports, a unit in KASEZ for extension of Letter of Permission (LOP) beyond 9<sup>th</sup> May, 2011**

The Board, after deliberations, extended the LoP of the unit for period of one year from the date of expiry of the validity of the last extension (*i.e. up to 9<sup>th</sup> May 2012*).

**(ii) Request of M/s. Vigor Laboratories, a unit in Indore SEZ for extension of Letter of Permission (LOP) beyond 21<sup>st</sup> January, 2011**

The Board, after deliberations, **deferred** the request and directed DC, ISEZ to submit a report giving details of the progress made by the unit towards commencement of its operations. The report should clearly indicate the details of regulatory approvals obtained by the unit, the status of export orders and countries identified for exports, by the unit and also the target date for its commercial production.

**(iii) Request of M/s. Tata Consultancy Services Limited, a unit in MIHAN SEZ, Nagpur, Maharashtra for extension of Letter of Permission (LOP) beyond 23<sup>rd</sup> April, 2011**

The Board, after deliberations, extended the LoP of the unit for period of one year from the date of expiry of the validity of the last extension (*i.e. up to 23<sup>rd</sup> April 2012*).

**(iv) Request of M/s. Rajtaru Infotech Entertainment Limited, a unit in MIHAN SEZ, Nagpur, Maharashtra for extension of Letter of Permission (LOP) beyond 25<sup>th</sup> May, 2011**

The Board, after deliberations, extended the LoP of the unit for period of one year from the date of expiry of the validity of the last extension (*i.e. up to 25<sup>th</sup> May, 2012*).

**Item No. 47.17: Requests for setting up of Unit for export of Restricted/Prohibited Items**

**(i) Request of M/s. Rocky Red Sandal Wood Musical Instruments Exports, Hyderabad for manufacture and export of value added products out of red sanders wood allotted/procured from legal sources.**

**(ii) Request of M/s Zitan Trading Corporation, Hyderabad for manufacture and export of value added product out of red sanders wood allotted/ procured from legal sources.**

The proposal was not clear as to the specific products proposed to be dealt with by the Unit. Sandalwood exports are not permitted as per FTP. BoA also was informed about the rulings of the Hon'ble Supreme Court against export of such items. Board after deliberations did not approve the proposal.

**(iii) Proposal of M/s. Punit Agro Industries for setting up unit in the multi product SEZ at Jambusar, Bharuch, Gujarat, being developed by M/s Sterling SEZ and Infrastructure Limited, for processing of pulses**

The board directed DC, Sterling SEZ to clarify to the promoters of the prospective unit that the unit will not be allowed to make any DTA transaction and also to obtain an undertaking to that effect. Accordingly, the proposal was **deferred**.

**Item No. 47.18: Request of M/s. Wardha Power Company Private Limited for an additional entry/exit gate in the sector specific SEZ for Power at Warora, Chandrapur District, Maharashtra,**

The Board after deliberations allowed the request of the developer for setting up the additional gate subject to the following conditions:-

- (a) The gate should only be used for exit of trucks used for transportation of coal.
- (b) The gate should be located as close as possible to the existing gate.
- (c) The gate shall cease to be in operation after start of transportation of coal for the SEZ units through rail rakes.

**Item No. 47.19: Appeals before BoA**

**(i) Appeal of M/s. Virtual Employee Private Limited against rejection of its request for setting up a unit, in Noida SEZ**

The BoA granted personal hearing to representative of the appellant and after deliberations remanded the matter back to the Unit Approval Committee (UAC) for reconsideration of the appellant's application after giving him an opportunity to be heard on the grounds raised by the UAC in rejecting the application.

**(ii) Appeal of M/s. Citixsys Tech Solutions Private Limited against rejection of its request for setting up a unit, in Noida SEZ**

The BoA granted personal hearing to representative of the appellant and after deliberations remanded the matter back to the Unit Approval Committee (UAC) for reconsideration of the appellant's application after giving him an opportunity to be heard on the grounds raised by the UAC in rejecting the application.

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**Annexure - 1**

**List of Participants for the Meeting of the Board of Approval for Special Economic Zones held on 22<sup>nd</sup> July, 2011 under the Chairmanship of Commerce Secretary, Department of Commerce**

1. Dr. Rahul Khullar, Chairman BOA & Secretary, Department of Commerce.
2. Smt. Praveen Mahajan, Director General (DG), Department of Revenue, Ministry of Finance
3. Shri Raman Chopra, Director (ITA), CBDT, Department of Revenue, Ministry of Finance
4. Shri Vivek Ranjan, Additional Director, Department of Revenue, Ministry of Finance
5. Shri A.K. Pujari, DGFT, Director General of Foreign Trade
6. Dr. Manish Ranjan, Director, Industries, Government of Jharkhand, Ranchi
7. Shri M.Y. Daxini Gas, Joint Commissioner of Industries, Government of Gujarat, Industries Department
8. Shri P. Biswas, Director, Department of Industrial Policy & Promotion.
9. Dr. Saroj, Director, Ministry of Environment and Forests, Pariyavaran Bhavan, CGO Complex, New Delhi – 3.
10. Ms. Sharda Jain, Additional Legislative Counsel, Ministry of Law & Justice, New Delhi
11. Shri A.K. Gupta, CGM, RIICO, Government of Rajasthan, Jaipur, Rajasthan
12. Shri Manjunath Gonda, Resident Director, Karnataka Udyog Mitra Karnataka Bhavan – 3, Khelgaon Marg, New Delhi
13. Shri U.K.S Chauhan, Resident Commissioner, Kerala
14. Shri O.P. Kapoor, Joint DG, EPCEs
15. Shri Sudeep Roy, ATCP, TCPO, Ministry of Urban Development
16. Shri R.C. Dahra, Additional Director, Government of Haryana, Industries, Haryana, Chandigarh
17. Shri M.S. Teotia, Additional Director, Office of Development Commissioner (MSME), Ministry of MSME.
18. Shri R.K. Srivastav, DLA, Department of Legal Affairs
19. Shri B. Bhattacharya, SIO, DGEP, Department of Revenue.
20. Shri R.D. Meena, Research Assistant, TCPO, Ministry of Urban Development
21. Shri A.K. Dham, Liaison Officer, IDCO, New Delhi

**LIST OF DEVELOPMENT COMMISSIONERS**

22. Shri M.S. Rao, Development Commissioner, VSEZ, Visakhapatnam, Andhra Pradesh
23. Smt. Anita Agnihotri, Development Commissioner, SEEPZ SEZ, Mumbai
24. Shri Suresh Chandra Panda, Development Commissioner, Noida SEZ, Uttar Pradesh
25. Shri Sanjeev Nandwani, Development Commissioner, Falta, Kolkata
26. Upendra Vasishth, Development Commissioner, Jamnagar SEZ, Gujarat
27. Shri Vijay N. Shewale, Development Commissioner, Surat SEZ, Surat
28. Shri S. Kishore, Development Commissioner, AP SEZ
29. Shri Pravir Kumar, Development Commissioner, KASEZ & Dahej SEZ
30. Smt. Lata Shukla, Development Commissioner, Mundra SEZ
31. Shri K.L. Sharma, Development Commissioner, Sterling SEZ, Gujarat
32. Shri Ved Prakash, Development Commissioner, Mihan SEZ
33. Shri Anil Bamba, Development Commissioner, Sricity SEZ

34. Shri S.N.Patil, Joint Development Commissioner, Dahej SEZ
35. Ms. Bhuvaneswari Ravindran, Joint Development Commissioner, ULCC SEZ, CSEZ
36. Shri A.K. Rathore, Joint Development Commissioner, ISEZ, Indore, Madhya Pradesh.

**LIST OF PARTICIPANTS OF DEPARTMENT OF COMMERCE**

37. Shri Anup Wadhawan, Joint Secretary, Department of Commerce.
38. Shri Sanjeet Singh, Director, Department of Commerce
39. Shri R. K. Pandey, Under Secretary, Department of Commerce
40. Shri Achint Kumar, Section Officer, Department of Commerce